

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 10, 2023

**TO:** Honorable Angie Chen Button, Chair, House Committee on International Relations & Economic Development

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3723** by Gerdes (Relating to the establishment of the Rural Workforce Training Grant Program.),  
**As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3723, As Introduced : a negative impact of (\$357,354) through the biennium ending August 31, 2025. The grant amount cannot be determined at this time. It is assumed that any additional funding associated with the grant amount would be determined by the Legislature.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2024	(\$178,677)
2025	(\$178,677)
2026	(\$178,677)
2027	(\$178,677)
2028	(\$178,677)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable (Cost) from <i>General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$178,677)	2.0
2025	(\$178,677)	2.0
2026	(\$178,677)	2.0
2027	(\$178,677)	2.0
2028	(\$178,677)	2.0

Fiscal Analysis

This bill would amend the Labor Code to require the Texas Workforce Commission (TWC) to establish the Rural Workforce Training Grant Program to provide grants to eligible entities that provide occupational training (including apprenticeships and on-the-job training) and related workforce development services in rural

counties. This bill would require an annual report identifying grants awarded under the program and their effectiveness with the initial report required to be submitted by December 1 each year. This bill is effective September 1, 2023.

**Methodology**

This analysis assumes the Texas Workforce Commission (TWC) would operate the new Rural Workforce Training Grant Program established by the bill similarly to how the agency operates the Skills Development Fund, Job and Education for Texans (JET) program, and the Self-Sufficiency Fund. Based on this assumption, the agency would require an additional 2.0 Grant Specialist III positions (\$59,743 each year with \$18,930 in benefits per position) that would perform daily tasks including, but not limited to, program and grant management and administration with an additional \$21,870 for annual operating expenses. In the 2024-25 biennium, the total cost to implement provisions of the bill would be \$357,353 in General Revenue.

**Local Government Impact**

No significant fiscal implication to units of local government is anticipated.

**Source Agencies:** 320 Texas Workforce Commission

**LBB Staff:** JMc, SZ, GDZ, LBI